2010 Actual + 2011 Estimated
Canadian Mobile Advertising Revenue
DETAILED REPORT

An Industry Survey Conducted By Ernst & Young
Sponsored By The Interactive Advertising Bureau (IAB) Of Canada

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A. Background

About The 2010-11 Canadian Mobile Advertising Revenue Report…

First commissioned in 2007 by the Interactive Advertising Bureau of Canada (IAB), the Canadian Mobile Advertising Revenue Report is now in its 4th year of publication.

The results of IAB Canada's Annual Canadian Mobile Advertising Revenue Survey are considered the most accurate measurement of Canadian Mobile advertising revenues, as the Survey draws on IAB Canada's 13 years of experience in conducting Online Advertising Revenue Surveys, and utilizes data received directly from Canada's leading Mobile Carriers, Mobile Aggregators, Mobile Marketing companies, Online Publishers offering Mobile advertising solutions (including Mobile Search advertising), Mobile Application Developers, and Mobile Advertising Networks.

It should be noted Ernst & Young does not formally audit the information supplied by participants in their Survey responses, and provides no opinion or other form of assurance with respect to the information submitted. Results of individual respondent submissions are held in strict confidence by Ernst & Young and are released in aggregate form only, so as to maintain individual participant confidentiality.

The Appendix at the end of this Report contains basic Survey Methodology and the Definitions of the various Mobile advertising formats reported on.

Martin Lundie
CA, Partner, Assurance and Advisory Business Services
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B. Executive Summary: 2010 Full-Year Actuals and 2011 Forecast

Revenue Trends

The Canadian Mobile advertising industry is in the very early phase of its existence. As such, revenues are growing rapidly against each year's base, starting at $1.1 million in 2006 and rising to $52.1 Million in 2010, +93% over 2009.

For 2011, Canadian Mobile Advertising Revenues are forecast to grow by 57%, to $82 million.

Concentration Of Advertising Revenues

The Top 10 Earners in IAB Canada's Mobile Advertising Revenue Survey accounted for 82% of Total Net Revenues in 2010. Revenue concentration has remained fairly stable during the four previous years, ranging from 79% in 2006 to 82% in 2010.

Revenue By Advertising Vehicle

In order to get an update on Ad Spend as per other Media, but also keep track of the rapidly growing Application (App) development industry; as with 2009 figures, 2010 Mobile Advertising Revenues were separated into mutually-exclusive Ad Placement/Spend and Production-Only categories.

Ad Placement/Spend was the predominant engine behind the 93% increase in overall Canadian Mobile Ad revenues in 2010**,** growing at a rate of 105% year-over-year, driven primarily by Mobile Search with $17.1 million (up 154%) and Mobile Display/Sponsorship with $15.6 million in Net revenue (up 206% over 2009). Mobile Messaging, the third largest Ad Placement component, grew by 17% to $12.5 million.

Production-Only Ad Revenues, approximately 10% of Total Mobile advertising income, consist mainly of funds received for the development of Mobile Applications, which experienced a 49% growth rate in 2010, as consumers traded in their basic handsets for various, newer, makes and models of smartphones, supporting enhanced advertising and App features.

Revenue By Advertising Category

Consumer Packaged Goods represented over one-fifth (22%) of all reported Mobile Advertising Revenues in Canada in 2010. Retail, Telecom and Automotive followed at a distance with 12%/12%/11% share of revenues respectively. The remaining 43% of total ad revenue was distributed among the following seven categories of Financial (9%), Entertainment (8%), Media (7%), Leisure Travel (6%), Technology (5%) and Pharma/Healthcare (3%). 'Other' made up the 5% difference.

Mobile Advertising Growth As Compared To Growth In Online And Other Media

Because it is at such a nascent stage, Mobile advertising's annual revenue growth rate was dramatic in 2010 once again (+105%), compared to the 7.4% growth experienced by the overall Canadian media sector, and was over 4 times faster than Online's impressive growth of +23% during the same year.

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Challenges + Opportunities Going Forward
Mobile marketers believe that rapid Smartphone adoption by consumers during 2010 and 2011 is raising the profile of Mobile as an advertising medium, stimulating more Agencies to actively consider Mobile in their media plans.

A key challenge is the need to grow Mobile's credibility as a proven advertising medium, requiring concerted action on the following key fronts: access to better Mobile reporting of both currency and campaign metrics as well as analytics; resolving the lack of local market audience data for better campaign targeting; and, demonstrating Mobile's effectiveness and value to Advertisers/media buyers by conducting more campaign return-on-investment studies.

More resources must also be dedicated towards educating Clients on Mobile planning and buying basics and campaign best practices. A perceived lack of standardized advertising units/specifications has been held back by intensified Mobile device/audience fragmentation across a growing number of different platforms.

The rapid evolution of Mobile, coupled with growing competition from significant new Mobile entrants has ratcheted-up pressure on existing Online and offline media owners to build and improve Mobile platforms, source and develop Mobile Website content and Applications and Social Media integration, while investing in the internal capabilities needed to engage Mobile Advertisers.

Respondents see opportunities for revenue growth for 2011 and beyond, in Mobile Search, Rich Media, Video and quality in-App inventory.

C. Detailed Mobile Advertising Revenue Findings

Canadian Mobile Advertising Revenues Reach $52.1 Million Net In 2010
Mobile Advertising Revenues in 2010 grew +93% over 2009 actuals, to $52.1 Million in 2010.

	Total 2006-2010 Actual Mobile Advertising Revenue				
	2008	2009 [1]	% growth	2010	% growth
	$ (millions)	$ (millions)		$ (millions)	
TOTAL:	11.9	26.9	127%	52.1	93%
Placement vs Production:			% total		% total
Placement/Spend-only:		22.8	85%	46.6	89.5%
Production-only:		4.2	15%	5.5	10.5%
			100%		100.0%

1 The 2009 Total Mobile Advertising Revenue has been revised from $319 Million down to $26.9 Million. due to a change in the Revenue Recognition Policy of one major survey respondent in 2010, resulting in a -$5 million adjustment for 2009. (note - numbers are rounded and exclude agency commission)

As of 2009 and continuing in 2010, IAB Canada began collecting Ad Placement/Spend Revenue, distinct from Production-Only Revenue. At $46.6 million in 2010, Ad Placement/Spend currently accounts for 89.5% of Total

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Mobile Advertising Revenue, compared to 85% in 2009. Production-Only Ad Revenue was $5.5 million in 2010 (10.5%). **NOTE:** Mobile Advertising Revenues for French Canada are not able to be broken-out at this time, due to the low overall size of the Canadian Mobile advertising market.

$82 Million Net Mobile Advertising Revenue Projected For 2011

Canadian Mobile Advertising Revenue for 2011 is projected to grow by 57% beyond 2010 levels, to $82 Million (Net).

Projected Total 2011 Mobile Advertising Revenue			
	Actual 2010	Forecast 2011	% growth
Millions ($)	52.1	82.0	57%

(note - numbers rounded)

Mobile Revenue Concentration Among The Top 10 Advertising Earners

The Top 10 Earners in IAB Canada's Mobile Advertising Revenue Survey accounted for 82% of Total Net Revenues in 2010. Revenue concentration has remained fairly stable during the four previous years, ranging from 79% in 2006 to 82% in 2009, 2010. (Note: 2009 % concentration is revised from previously reported, due to a change in one major survey respondent's revenue recognition policy).

Top 10 Earners: % Share of Total Annual Mobile Survey Revenue					
Year…	**2006**	**2007**	**2008**	**2009**	**2010**
Top 10 Earners	79%	81%	79%	82%	82%

Net Revenue Growth by Mobile Advertising Vehicle Type: 2006-2010

Ad Placement/Spend was the main engine behind the 93% increase in overall Canadian Mobile Ad revenues in 2010**,** growing at a rate of 105% year-over-year, driven primarily by Mobile Search with $17.1 million (up 154%) and Mobile Display/Sponsorship, with $15.6 million in Net revenue (up 206% over 2009). Mobile Messaging, the third largest Ad Placement component, grew by 17% to $12.5 million.

Production-Only Ad Revenues consist mainly of funds received for the development of Mobile Applications, which experienced a 49% growth rate in 2010, as Consumers traded in their basic handsets for various, newer, makes and models of smartphones supporting enhanced advertising and App features.

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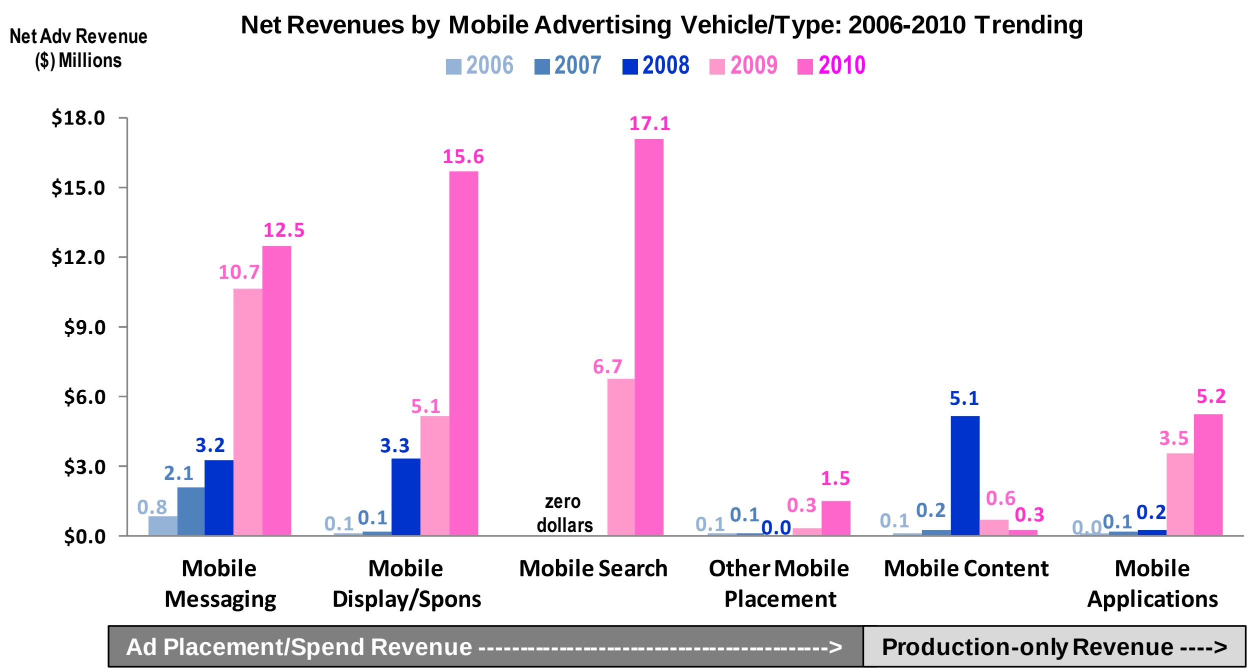
(numbers are rounded)	Net Revenue Growth by Mobile Advtg Vehicle/Type: 2006-2010					
	2006 $ (millions)	2007 $ (millions)	2008 $ (millions)	2009 [2] $ (millions)	**2010** $ (millions)	% chge vs '09
Ad Placement/Spend Revenue						
Mobile Messaging (SMS)	0.8	2.1	3.2	**10.7**	**12.5**	17%
Mobile Display/Sponsorship	0.1	0.1	3.3	**5.1**	**15.6**	**206%**
Mobile Search	0.0	0.0	0.0	**6.7**	**17.1**	**154%**
Other Mobile [1]	0.1	0.1	0.0	0.3	1.5	366%
Sub-total	1.0	2.3	6.5	**22.8**	**46.6**	**105%**
Production-only Ad Revenue						
Mobile Content	0.1	0.2	5.1	0.6	0.3	-61%
Mobile Applications	0.0	0.1	0.2	3.5	5.2	49%
Sub-total	0.1	0.3	5.4	4.2	5.5	32%
TOTAL	1.1	2.7	11.9	**26.9**	**52.1**	**93%**

1 Other Mobile: 2006-2008. . consists of Ad Placement +Production Revenue: 2009-10. . consists of Ad Placement-only Revenue
2. The 2009 Total Mobile Advertising Revenue has been revised from $31.9 Million down to 26.9 Million, due to a change in the Revenue Recognition Policy of one major survey respondent in 2010, resulting in a -$5 million adjustment to Mobile Messaging revenue in 2009.

Note re: "Other Mobile": Prior to 2009, this open-ended classification included any Mobile Revenues (both Ad Placement/Spend and Production-Only), that fell outside the 5 specific Ad Vehicle Types listed above. As of 2009, "Other Mobile" consists exclusively of Ad Placement/Spend revenues only, derived from Pay-For-Performance Mobile ad campaigns related to Click-To-Call, Click-to-Download and Click-to-Respond programmes.

Mobile advertising revenues by format/type, are trended graphically over the past five years, as follows:



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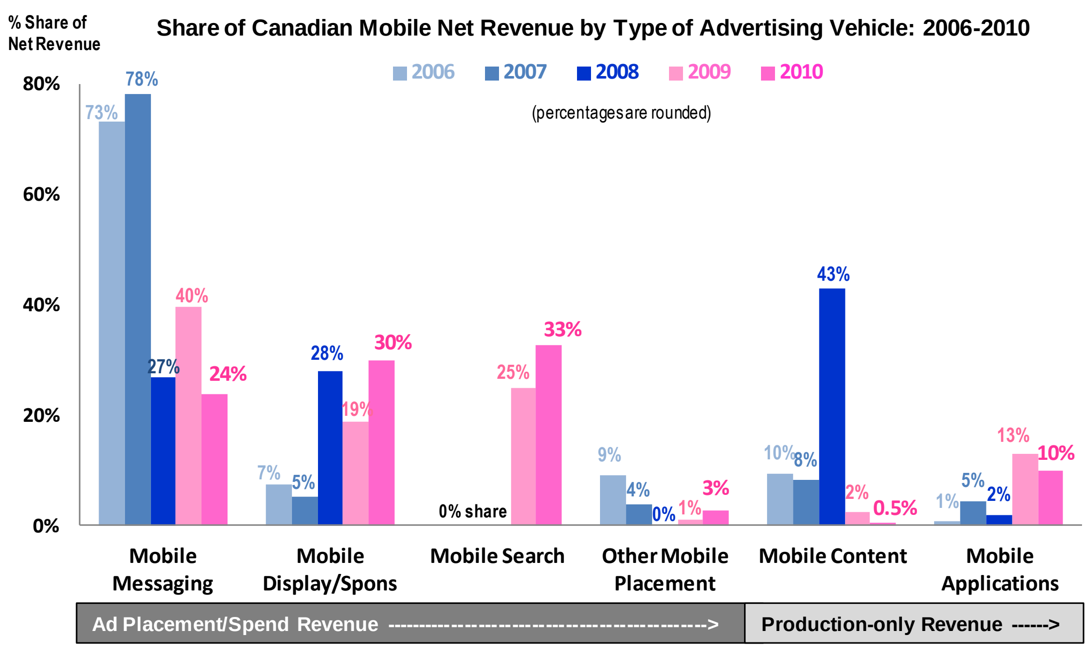
Share Of Canadian Mobile Net Revenue by Ad Vehicle

Almost ninety percent (89.5%) of Total Net Canadian Mobile Ad Revenues in 2010 were generated by Ad Placement/Spend, comprised primarily by Mobile Search with 32.7% share of Total Mobile and Mobile Display/Sponsorship with 30.0% share. Mobile Messaging follows with 23.9% share of Total Mobile advertising revenue in 2010. Production-Only Ad Revenue has been dominated by Mobile Applications for the past two years, accounting for 13% of Total Mobile Ad Revenue in 2010 and 10% in 2009.

	Share of Canadian Mobile Net Revenue by Advtg Vehicle/Type: 2006-2010									
(numbers are rounded)	**2006** $ (millions)	% share of revenue	**2007** $ (millions)	% share of revenue	**2008** $ (millions)	% share of revenue	**2009** [2] $ (millions)	% share of revenue	**2010** $ (millions)	% share of revenue
Ad Placement/Spend Revenue										
Mobile Messaging (SMS)	0.8	73%	2.1	78%	3.2	27%	**10.7**	**40%**	**12.5**	**23.9%**
Mobile Display/Sponsorship	0.1	7%	0.1	5%	3.3	28%	**5.1**	**19%**	**15.6**	**30.0%**
Mobile Search	0.0	0%	0.0	0%	0.0	0%	**6.7**	**25%**	**17.1**	**32.7%**
Other Mobile [1]	0.1	9%	0.1	4%	0.0	0%	0.3	1%	1.5	2.9%
Sub-total	1.0	90%	2.3	87%	6.5	55%	**22.8**	85%	**46.6**	**89.5%**
Production-only Ad Revenue										
Mobile Content	0.1	10%	0.2	8%	5.1	43%	0.6	2%	0.3	0.5%
Mobile Applications	0.0	1%	0.1	5%	0.2	2%	3.5	**13%**	5.2	**10.0%**
Sub-total	0.1	10%	0.3	13%	5.4	45%	4.2	15%	5.5	**10.5%**
TOTAL	1.1	**100%**	2.7	**100%**	11.9	**100%**	**26.9**	**100%**	**52.1**	**100%**

1 Other Mobile: 2006-2008. . consisted of Ad Placement + Production Revenue: 2009-2010. . consisted of Ad Placement-only Revenue
2. The 2009 Total Mobile Advertising Revenue has been revised from $319 Million down to 26.9 Million, due to a change in the Revenue Recognition Policy of one major survey respondent in 2010, resulting in a -$5 million adjustment to Mobile Messaging revenue in 2009.

Share of Total Mobile Advertising Revenue by format/type is trended graphically as follows:



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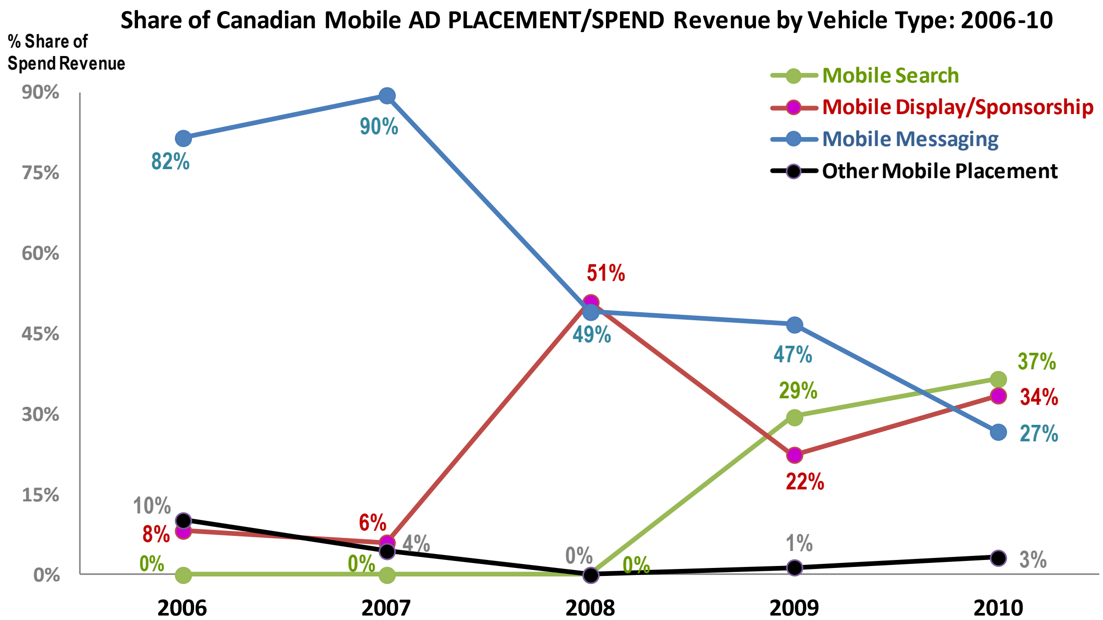
Within the Mobile Ad Placement/Spend-only revenue universe, the rise of Mobile Search shares in both 2009 and 2010 and the decline of Mobile Messaging beginning in 2008 is clearly evident in the next chart.



Note: All formats shown exclude production revenue, with the exception of 'Other Mobile Placement' which includes production during 2006-08 only,

Net Mobile Ad Revenue by Advertising Product/Service Category

Consumer Packaged Goods represented over one-fifth (22%) of all reported Mobile Advertising Revenues in Canada in 2010. Retail, Telecom and Automotive follow at a distance with 12%/12%/11% share of revenues respectively. The remaining 43% of total ad revenue is distributed among the following seven categories of Financial (9%), Entertainment (8%), Media (7%), Leisure Travel (6%), Technology (5%) and Pharma/Healthcare (3%). 'Other' made up the 5% difference.

Distribution of Total Canadian Mobile Advertising Revenue by Major Product/Service Category: 2010

	Total Mobile	Automotive	Financial	Leisure Travel	Entertain	Media	Packaged Goods	Pharma / Hlthcare	Retail	Technology	Telecom	Other
	% revenue	% revenue	% revenue	% revenue	% revenue	% revenue	% revenue	% revenue	% revenue	% revenue	% revenue	% revenue
2010	100%	11%	9%	6%	8%	7%	22%	3%	12%	5%	12%	5%

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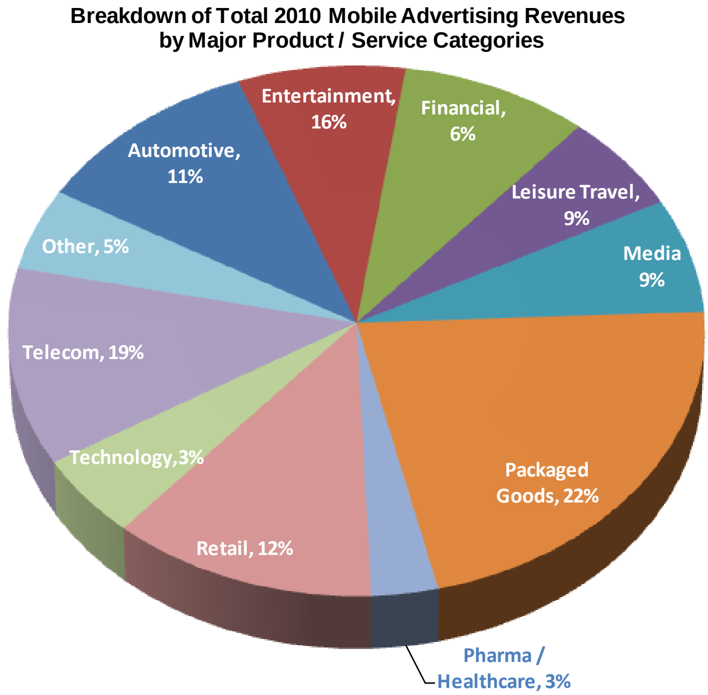
This is shown graphically in the following pie chart:



<u>Mobile Advertising Growth Compared To Other Media</u>

Because it is at such a nascent stage, Mobile Ad Placement's annual revenue growth rate was dramatic in 2010 once again (+105%), compared to the 7.4% growth experienced by the overall Canadian media sector, and was over 4 times faster than Online's impressive growth of +23% during the same year.

Advertising Revenue Growth by Major Medium in Canada: 2009-10 Comparison

Rank		2009 $ Millions	2010 $ Millions	% change
1	Television	$3,103	$3,390	9%
2	**Internet**	**$1,822**	**$2,232**	**23%**
3	Daily Newspaper	$2,030	$2,102	4%
4	Radio	$1,469	$1,517	3%
5	Magazines	$590	$606	3%
6	Out-of-home	$416	$482	16%
	Other Media (Catalogs, Yellow Pgs etc)	$3,672	$3,722	1%
	Mobile (Ad Placement-only, no production)	**$22.8**	**$46.6**	**105%**
	Total - All Media	**$13,124.8**	**$14,097.6**	**7.4%**

Source: IAB Canada - Internet, Mobile; TVB - all others Note: excludes Advertising Agency commission

Note: The 2009 Mobile Placement/Spend-only Ad Revenue has been revised from $27.8 Million down to 22.8 Million, due to a change in the Revenue Recognition Policy of one major survey respondent in 2010, resulting in a -$5 million adjustment in 2009.

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Mobile Industry Challenges And Opportunities

The following is a summary of comments from Survey respondents that address the changes, challenges and opportunities they perceive the industry and/or their respective businesses encountered in 2010, as well as their expectations going forward into 2011:

On the positive side, Mobile Marketers believe the rapid Smartphone adoption by consumers coupled with the launch of many new Mobile Apps during 2010 and 2011 (anticipated) are stimulating a rise in the general level of knowledge about Mobile Marketing, across the advertising industry. Awareness of Mobile as an advertising medium has increased as Mobile audiences build and more advertising Agencies are actively considering Mobile in their media plans.

However beyond the top 20 advertisers, demand is building more slowly than hoped for. This is because Mobile is still considered peripheral by Agency media planners, few Agencies have had active Mobile media buys and Mobile-ready brand creative assets are almost non-existent.

A key challenge is the need to grow Mobile's credibility as a proven advertising medium, requiring concerted action on the following key fronts: access to better Mobile reporting of both currency and campaign metrics as well as analytics; resolving the lack of local market audience data for better campaign targeting; and, demonstrating Mobile's effectiveness and value to Advertisers/media buyers by conducting more campaign return-on-investment studies.

More resources must also be dedicated towards educating Clients on Mobile planning and buying basics and campaign best practices. A perceived lack of standardized advertising units/specifications has been held back by intensified Mobile device/audience fragmentation across a growing number of different platforms.

The rapid evolution of Mobile, coupled with growing competition from significant new Mobile entrants has ratcheted-up pressure on existing Online and offline media owners to build and improve Mobile platforms, source and develop Mobile Website content and Applications and Social Media integration, while investing in the internal capabilities needed to engage Mobile Advertisers.

Respondents see opportunities for revenue growth for 2011 and beyond, in Mobile Search, Rich Media, Video and quality in-App inventory.

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D. APPENDIX - Survey Scope and Methodology

Survey Scope

IAB Canada's third annual Canadian Mobile Advertising Revenue Report reflects IAB Canada's ongoing mission to provide an accurate barometer of Interactive advertising in Canada for both Online and Mobile channels.

The Interactive Advertising Bureau of Canada has retained Ernst & Young to jointly establish, maintain and continuously update comprehensive Survey standards for measuring the growth of Online and Mobile advertising revenues in Canada.

To achieve and sustain industry-wide acceptance, key aspects of IAB Canada's annual Canadian Mobile (and Online) Advertising Revenue Surveys include:

1. Making the Survey as inclusive as possible, encompassing direct data results from Canada's leading Mobile Carriers, Mobile Aggregators, Mobile Marketing companies, Online Publishers offering Mobile advertising solutions (including Mobile Search advertising), Mobile Application Developers and Mobile Advertising Networks;

2. Ensuring and maintaining a confidential process, both in terms of methodology and in terms of releasing only aggregate data; and,

3. Analyzing historical data from within the Survey, to identify broader trends over time.

Survey Methodology

Ernst & Young and IAB Canada work jointly to:

- Compile a database of Canadian Mobile Carriers, Mobile Aggregators, Mobile Marketing companies, Online Publishers offering Mobile advertising solutions (including Mobile Search advertising), Mobile Application Developers and Mobile Advertising Networks to Survey annually, in relation to Mobile advertising revenues in the Canadian market;

    - As in the case of Online, once critical mass is achieved, IAB Canada will provide separate Mobile advertising revenue breakouts for French Canada.

- Conduct an annual quantitative mailing Survey with the above industry players;
- Acquire supplemental data through the use of publicly-disclosed information;
- Request and compile several specific data items from Survey respondents:

    - These include total annual Gross commissionable advertising revenue and total annual Net advertising revenue. Net revenue is calculated by subtracting the following from the Gross figure: (a) Carrier Fees (b) Agency commissions (c) Ad Network revenues.
    - Annual Net revenues are requested to be broken down by Advertising Vehicle, which are designated according to whether they are Ad Placement/Spend or Production-Only in nature:

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Mobile Messaging, Mobile Display/Sponsorship, Mobile Search, Mobile Content, Mobile Applications, etc.).
    - Percentage breakdown of annual Net Revenues is also requested across 9 different product/service categories that sum back to 100% of the Net Revenue. Examples of these categories include Automotive, Financial, Technology, etc.

- Identify non-participating Mobile Survey recipients, and apply a conservative revenue estimate for these companies, based on available public sources.

- Report the aggregate findings of the Survey, and report key trends within the Survey responses.

Confidentiality Procedure
All information submitted by respondents within IAB Canada's annual Canadian Mobile Advertising Revenue Survey is completely confidential, due to the "double-blind" data collection methodology that is rigorously employed by IAB Canada and Ernst & Young.

IAB Canada's role is simply to …

(a) Identify industry participants who sell Mobile advertising;

(b) Assign a unique, non-identifying, anonymous, alpha-numeric code to potential Survey respondents;

(c) Send out the anonymously-coded Surveys to potential respondents; and,

(d) Report on the results of the Survey, as tabulated and reported in aggregate by Ernst & Young.

Double-Blind Methodology

1. Mobile Marketing companies to be Surveyed are derived from the IAB Canada Member lists, and IAB Canada's Mobile Council.
2. Each Mobile marketing company selected for Surveying is assigned a unique, anonymous, alpha-numeric code that only the IAB Canada President and IAB Canada Research Director is aware of, and sent a Revenue Survey with only this unique, anonymous, alpha-numeric code as an identifier on it.
3. Once completed, the Mobile marketing company returns the anonymously-coded Survey in the plain white, postage-paid envelope provided, addressed to Ernst + Young.
4. Martin Lundie, CA, Partner | Assurance and Advisory Business Services, Ernst & Young, receives the Surveys and gives weekly reports back to IAB Canada 's President and Research Director, about which alpha-numeric codes have and have not been received to date.
5. Once all the Surveys are in, responses are recorded, averaged and extrapolated by segment for the total Canadian Mobile Advertising Revenue by Ernst + Young.
6. Aggregate Canadian market totals are sent to the IAB Canada President and Research Director for verification, and then presented to the following bodies:

    (a) IAB Canada's Mobile Council; and,

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(b) The IAB Board of Directors for final confirmation and a vote to approve the publication of the Mobile Advertising Revenue Survey numbers.

7. A Report detailing final 2010 actuals and estimated 2011 Canadian Mobile Advertising Revenues is created. The Report also includes estimates of percent revenues by Advertising Vehicle.

Definitions of Mobile Advertising Formats

Introduction

The ad format definitions used within IAB Canada's Mobile Revenue Survey are grouped into two mutually exclusive sets, to ensure a clear distinction is made between revenues derived from Mobile advertising 'Placement/Spend' and Mobile advertising 'Production'. They groupings are as follows:

Advertising 'Placement/Spend' Revenue:		
(excludes production)	Mobile	Formats #1-4
Advertising 'Production-only' Revenue:		
(excludes 'placement/spend')	Mobile	Formats #5+6

NOTE: Please **do not report both** 'placement' and 'production' revenues **together** for any of the six formats described below.

'ADVERTISING PLACEMENT/SPEND' FORMATS – excluding 'production revenue'

1) Mobile Messaging (SMS, MMS, Bluetooth, IVR) Advertising Revenue

Revenue generated from Mobile advertising/marketing campaigns that promote a product or service via Messaging delivered to and from short-codes/long-codes. This encompasses standard, zero-rated and premium-rated Messaging. When counting revenue for Mobile Messaging campaigns, the goal is to calculate the total amount of money that the brand is spending on the Mobile Messaging campaign, which could include premium Messaging revenue from consumers that is used to offset these costs. If a Mobile Messaging campaign includes Production Revenues for the development of Mobile Content or Mobile Applications, please segment out those costs and include them in the Production Revenue section of **#5, #6.**

Included in Mobile Messaging Revenue: Campaign set-up and operating fees; Short code fees; Transactional fees charged to the brand (Message, hosting and maintenance) or to consumers (premium end-user Message fees).
Not Included: Mark-up by ad Agencies (gross); Mobile Messaging production revenues; Contest prizing or redemption charges; Mobile Content (e.g. Ringtones, Wallpapers, etc.) – as all of the above are to be included in the Mobile Content or Mobile Applications Production Revenues section (see **#5/or #6)**

Note: For Carriers completing the Survey: Please do not count any revenue generated on cross-Carrier Short-code/long-code programs, as this will be captured by the Mobile marketing providers.

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2) Mobile Display/Sponsorship Advertising Revenue (Static, Rich Media, Video Pre-roll; Sponsored App, Game, Video, SMS/MMS, "Push" e.g. Location-based etc.)

Mobile Display/Sponsorship advertising revenue is the closest analogy to Online Display/Sponsorship advertising revenue. Here we include all revenues received for Display ads (Standard and Rich-media Banners; Interstitial or Full-page ads; Mobile Flyers; Video pre-roll; etc.); or Sponsorship ads (this includes Sponsored SMS/MMS; Sponsored "push" notifications (e.g. date, contextual or location-based notifications); Sponsored Videos; and, Apps, Games, etc. "brought to you by…") -- served specifically on Mobile Optimized sites (e.g. m., .mobi, /mobile) or within Mobile Applications *(*such as on News and Weather widgets) or within Mobile Games). If a Sponsored Mobile Messaging campaign includes Production Revenues for the development of Mobile Content or Mobile Applications, please segment out those costs and include them in the Production Revenue section of **#5, #6.**

Included in Mobile Display/Sponsorship Revenue: CPM, CPC, CPA and Flat Fee revenues.
Not Included: Mark-up by ad Agencies (gross); Ad creation/production revenues; End-user data charges.

3) Mobile Search Advertising Revenue

In this category, include all revenues received for Paid Search advertising directed specifically at Mobile devices.

Not Included: Mark-up by ad Agencies (gross); Search Ad creation/production revenues; Search Engine Optimization (SEO) revenues.

4) Other Mobile Advertising Revenue (Post-Click Actionable Advertising: e.g. Click-to-Call, Click-to-Download, etc.)

This section is a catch-all for Mobile marketing vehicles that do not fit into any of the above categories.

NOTE: If respondents believe that the revenue for another particular genre should be included in the "Other" section now or in the future, please include it here, and advise IAB Canada that you would like this revenue type to be considered for future Surveys.

Included In Other Mobile Revenue: Click-To-Call; Click-to-Download; Click-to-Respond To Survey; etc.
Not Included: Mark-up by ad Agencies (gross); Production revenues; Portable media (podcasts, etc.)

'PRODUCTION-ONLY' FORMATS – excluding 'ad-placement/spend' revenue

5) Mobile Content Production Revenue

Mobile Content Production Revenue from an advertising and marketing perspective, is defined as the monies earned by Survey respondents to create and distribute Mobile Content for Advertisers, that downstream, will lead to increased sales of the Advertiser's product or brand.

Please do NOT include the actual brick+mortar or e-commerce revenue obtained from Mobile Content that leveraged the brand.

For example, a *Spiderman 3* game sold to consumers would NOT count; but production costs related to the creation of a *Got Milk* Mobile karaoke Game given away or subsidized by the Dairy Farmers Of Canada

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WOULD count.

Included in Mobile Content Revenue: Production revenues related to creation or development of any or all of the following products for Advertisers: Ringtones; Wallpapers; Mobile Video; Mobile Games; Standard or Rich Media Banner or MMS ad creation; Content creation/trans-coding fees; Distribution fees paid to supplier/Carrier (by Advertiser); Content licensing fees; Storefront Creation + Set-up (NOTE: For Storefront Set-up Production revenues, again, don't include any e-commerce revenues, just what the brand paid to set up the Storefront).

Not Included: Mark-up by ad Agencies (gross); Data charges to end-users.

6) Mobile Application Production Revenue

Mobile Application production revenue is defined as the monies earned by Survey respondents to create and distribute Mobile Applications, that downstream, will lead to increased sales of the Advertiser's product or brand.

Included In Mobile Applications Revenue: Revenues received to create/produce Mobile Applications for Advertisers.
Not Included: Mark-up by ad Agencies (gross); Branded Games (as these are to be counted in the Mobile Content section **#5**)**;** The one-time download fee incurred by end-user or any other data charges to end-users.

Definitions of Leading Industry Categories

The Product/Service Categories in IAB Canada's Mobile Advertising Revenue Survey are consistent with those used in the IAB Canada and IAB US Online Ad Revenue Survey. The categories were drawn from the North American Industry Classification System, which is an index of types of business establishments with corresponding descriptions, developed jointly by the U.S., Statistics Canada and Mexico to allow comparability in business statistics among the North American countries.

Automotive - Includes all automotive-related categories including sale/purchase of vehicles and parts and maintenance.

Consumer Packaged Goods - Includes packaged goods, food products, household products, toiletries and tobacco.

Entertainment - Includes film, music, TV, box office, video games and amusement & recreation.

Financial Services - Includes commercial banks, credit agencies, personal credit institutions, consumer finance companies, loan companies, business credit institutions and credit card agencies. Also includes companies engaged in the underwriting, purchase, sale or brokerage of securities and other financial contracts.

Leisure Travel - Includes travel, hotel, airlines and resorts.

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Media - Includes establishments primarily engaged in radio and television broadcasting (network and station) including commercial, religious, educational and other radio or television stations. Also includes establishments primarily engaged in publishing newspapers, periodicals and books.

Pharma & Healthcare – Includes pharmaceutical and medicine manufacturing of prescription and non-prescription/generic and brand drugs; healthcare and social assistance including offices of health practitioners, home health care services and other ambulatory services, medical and diagnostic laboratories, nursing and residential care facilities, community care facilities for the elderly, etc.

Retail - Includes mail order/catalog, apparel, restaurants/fast food, home furnishings/textiles, toys, pet food/supplies, appliances, jewelry, drug stores, retail stores and cosmetics.

Technology - Includes hardware (computers, computer storage devices, and computer peripheral equipment), consumer electronics, prepackaged software (operating, utility and applications programs), local area network systems and network systems integration, computer processing and data preparation and data processing services.

Telecommunications - Includes point-to-point communications services, including telephone voice and data communications, two-way Mobile/cellular communications services and other non-vocal message communications services (e.g., cablegram, electronic mail and facsimile); includes multi-channel video providers on a subscription fee basis (e.g., cable television, wireless cable television and direct broadcast satellite services).

Overall Survey and Report Guidance Provided by IAB Canada

Mobile Revenue Methodology Committee

This specially-convened committee, representing a selection of Canada's leading Mobile Carriers and Mobile Marketers, was created to recommend and oversee IAB Canada's Annual Canadian Mobile Advertising Revenue Survey design, and if needed, to update the Survey design in response to changing conditions within the Canadian Mobile Advertising market.

About IAB Canada

Who We Are

IAB Canada (***www.iabcanada.com***), is the national voice and de facto thought leader of the Canadian Digital marketing and advertising industry, and is a not-for-profit association representing Canada's most well-known and respected Advertisers, Agencies, Media Companies, Mobile and VideoGame Marketers + Developers, Measurement Companies, Service Providers, Educational Institutions and Government Associations operating within the space.

Mission Statement

As the only organization fully-dedicated to the development and promotion of Interactive advertising in Canada (Internet and Mobile channels), IAB Canada works with its Members to:

- Conduct Original, Canadian Interactive **Research**;
- Establish and Promote Interactive Advertising **Standards + Best Practices**;
- Develop Job Fairs, **Educational Courses**, **Certification Programs** and other initiatives that assist the industry in Attracting, Training and Motivating Human Resources;
- Act as an Advocate for the Canadian Interactive Advertising Industry to the Canadian Government; and,
- Organize **Networking Events** that enhance communication between Members

Have A Question About IAB Canada's Mobile Advertising Revenue Survey?

Please don't hesitate to Contact Us!

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